

LOCAL ADMISSIONS TAXES  
RCWs 35.21.280 & 36.38.010

Tax Base Price paid for admission to any place or event. The tax may apply to season tickets, cover charges, charges for the use of recreational facilities and equipment, and charges for parking of vehicles if the charge is related to the number of passengers. Also, charges for food and beverages may be included in the price subject to tax if entertainment is provided.

Tax Rate Maximum of 1 cent per 20 cents of price (i.e., 5 percent). However, in the case of the professional baseball stadium in Seattle, King County may levy admissions taxes equaling two cents per 20 cents of ticket price (10 percent rate) on stadium events. Such a stadium must be constructed after January 1, 1995, be owned by a public facility district and seat at least 40,000 persons. Further, King County may levy an admissions tax of 1 cent per 10 cents of ticket price (10 percent rate) for events at a public stadium and exhibition center (i.e. stadium for professional football) operated by a public stadium authority.

Levied by Cities, towns and counties. When cities levy the tax, the county tax may not apply within the incorporated area of the levying city. However, the admissions taxes for the professional baseball and football stadiums are levied by King County even though the facilities are located in the city of Seattle.

Administration

Generally the tax is administered by city clerks and county auditors. Persons who charge admissions for events include the tax in the purchase price of the tickets and report the tax to the appropriate local jurisdiction.

Recent Collections (\$000)

According to data reported by local governments to the State Auditor via the Budget, Accounting and Revenue System, local admissions taxes collected during calendar year 2000 amounted to \$21.1 million (cities, \$16.2 million and counties, \$4.9 million).

## Distribution of Receipts

Used for general purposes of the levying local jurisdiction, except the King County admission taxes on events at the baseball and football stadiums which are dedicated to principal and interest payments for bonds on the facilities.

## Exemptions

- activities of elementary or secondary schools.
- cities in King County may not apply their taxes to admissions to events in stadiums owned by a public facility district or public stadium authority.

## History

The original tax was included in the Revenue Act of 1935, at the present tax rate, as a state revenue source. In 1943, the state tax was repealed and authority to levy the tax was given to cities and counties. In 1995, the exemption from Seattle's admissions tax for the new professional baseball stadium and the 10 percent county tax for events at the baseball stadium were adopted. In 1997, similar provisions were extended to the professional football stadium and exhibition center.

## Discussion/Major Issues

Based on the definition of admission charges subject to tax, there could be some possible overlap with the retail sales tax. Although the sales tax does not apply to charges for spectator-type activities (movies, sporting events, concerts, etc.), it does apply to certain amusement and recreation activities. This has been interpreted as applying to charges for participatory activities such as golf and bowling. Such activities might also be subject to the local admissions tax, based on the statutory definition of admission charge. Also, the rental of equipment in conjunction with recreation or amusement activities and charges for food, refreshments and vehicle parking are clearly subject to sales tax, and admissions tax might also apply. In the case that both taxes were to apply to a particular admission charge, the retail sales tax would apply to the total ticket price, including any local admissions tax.